TULLIS POTATO STORAGE INC.

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31
(UNAUDITED)

	2001	2000
	(Thousands of Dollars)	
ASSETS		
CURRENT ASSETS		
Cash	$ -	$ -
	-	-
CAPITAL ASSETS (note 4)	-	-
	$ -	$ -
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ -	$ -
	-	-
SHAREHOLDERS' EQUITY		
CONTRIBUTED SURPLUS	-	102
RETAINED EARNINGS	-	(102)
	$ -	$ -

Director

See accompanying notes

TULLIS POTATO STORAGE INC.

STATEMENT OF OPERATIONS AND RETAINED EARNINGS
YEAR ENDED DECEMBER 31
(UNAUDITED)

	2001	2000
	(Thousands of Dollars)	
REVENUE		
Rental Income	$ -	$ 116
Interest	-	3
Other	-	50
	-	169
EXPENSES		
Interest	-	83
Amortization of capital assets	-	32
Operations	-	153
	-	268
NET INCOME LOSS FROM OPERATIONS	-	(99)
RETAINED EARNINGS, BEGINNING OF YEAR	(102)	(3)
TRANSFER TO SASK WATER	102	-
RETAINED EARNINGS, END OF YEAR	$ -	$ (102)

See accompanying notes

TULLIS POTATO STORAGE INC.

STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31
(UNAUDITED)

	2001	2000
	(Thousands of Dollars)	
Operating activities		
Net income	$ -	$ (99)
Charges and credits not affecting cash:		
Amortization of capital assets	-	32
Net changes in non-cash working capital balances relating to operations:		
Accounts receivable	-	91
Accounts payable	-	(59)
Cash provided by (used in) operating activities	-	(35)
Investing activities		
Capital expenditures	-	-
Cash used in investing activities	-	-
Financing activities		
Repayment of mortgages	-	(38)
Cash provided by financing activities	-	(38)
INCREASE IN CASH		(73)
CASH, BEGINNING OF YEAR	-	73
CASH, END OF YEAR	$ -	$ -

See accompanying notes

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TULLIS POTATO STORAGE INC.

Notes to the Financial Statements
December 31, 2001
(UNAUDITED)

1. **Status of the Corporation**

Tullis Potato Storage Inc. was formed in April, 1997. The corporation's purpose was to facilitate construction of potato storage facilities in the Lake Diefenbaker area of Saskatchewan.

The corporation was dissolved on September 6, 2001.

2. **Ownership of the Corporation**

Ownership of the corporation was solely by Saskatchewan Water Corporation.

3. **Significant Accounting Policies**

Capital Assets

Capital assets are recorded at cost. Amortization of capital assets is calculated at the following annual rates designed to amortize the recorded cost over the estimated useful lives of the capital assets:

Capital assets	Method	Rate
Potato storage building	straight-line	2.5%

4. **Related Party Transactions**

Saskatchewan Water Corporation is a related party to the corporation through its ownership interest. Below is a summary of transactions and amounts outstanding at year end:

	2001	2000
	(Thousands of Dollars)	
Saskatchewan Water Corporation:		
Revenue	$ -	$ -
	-	116